

TO: Chairs of the House of Representatives Appropriations Committee on Agriculture and Natural and Economic Resources and Senate Appropriations Committee on Natural and Economic Resources and the Fiscal Research Division

FROM: North Carolina Wildlife Habitat Foundation

SUBJECT: New River Estuary Oyster Highway Project Reporting

Date: August 16, 2018

Dear Sirs,

This letter is to notify the Chairs of the House of Representatives Appropriations Committee on Agriculture and Natural and Economic Resources and Senate Appropriations Committee on Natural and Economic Resources and Fiscal Research Division on how funds were distributed from the one-time appropriation of \$100,000 from the annual certified budget for FY18 for the Oyster Highway project. According to Session Law 2017-57, Section 13.27 read:

Of the funds appropriated in this act for oyster sanctuaries, the sum of one hundred dollars (\$100,000) shall be allocated to the North Carolina Wildlife Habitat Foundation for the Oyster Highway project on the New River in Onslow County. The Foundation shall report on its use of the funds allocated by the section no later than September 1, 2018, to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division.

Seventy thousand dollars (\$70,000) was paid to Dr. Joel Fodrie with the UNC Institute of Marine Science for monitoring of the New River Estuary (NRE) in the year 2018, please see **Exhibit A**. This monitoring includes a graduate student and research technician from UNC. Monitoring included Fish and Invertebrate surveys of each site before and after deployment of the oystercatchers and castles. Dr. Fodrie will monitor oyster abundance and sizes as well as natural recruitment levels, oyster survival and growth rates. His group will examine fish utilization thru various methods that will provide a broad view of fish species presence and abundance.

Thirty three thousand, seven hundred and fifty dollars was paid to Dr. Niels Lindquist with UNC Institute of Marine Science for 2,250 "oyster catcher" patties, which were deployed to the bottom

lease in the New River for spat seeding,. Once the oysters have matured these patties will be relocated to the six new reef sites. Please see invoice as **Exhibit B**.

If further documentation is needed, or if there are any questions, please do not hesitate to contact us. Chairman Gregory Erwin's phone is (919) 210-3717. Executive Director Eddie Bridges' phone is (336) 375-4994.


Thank you.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Gregory A. Erwin', with a long horizontal flourish extending to the right.

Gregory A. Erwin
Chairman, NCWHF

Exhibit A - check to Dr. Joel Fodrie – UNC Institute of Marine Science for monitoring in 2018

 **NC WILDLIFE HABITAT FOUNDATION**
P.O. BOX 29187
GREENSBORO, NC 27429

5914
56-107/514

DATE MAR. 26, 2018

PAY TO THE ORDER OF UNC Institute of Marine Sciences

*****SEVENTY THOUSAND DOLLARS & NO/100*****

\$70,000.00

DOLLARS

AMERICAN NATIONAL
FISH ECOLOGY LAB
NEW RIVER RESEARCH
1005914 10514010271 1061003065

Joel Fodrie

Invoice No. NR-OH2018-0001

Date: April 17, 2017

Exhibit B
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TO:

City of Jacksonville; PO Box 128; 815 New Bridge Street
Jacksonville, NC 28540.

SHIP TO:

See attached notes.

INSTRUCTIONS:

See attached scope of work; timeline, contingencies and warranty.

Quantity	Description	Unit Price	Total
2250 patties	Oyster Catcher™ - patties deployed to New River lease for seeding	\$15.00/patty	\$33,750
Subtotal			\$33,7500
Sales Tax			NA
Shipping & Handling			NA
TOTAL DUE			\$33,750

Thank you for your business and support!

Remit to:

Sandbar Oyster Company Inc

5117 Webb Street

Morehead City, NC 28557

Tel: 252.732.4516

Email: niels@sandbaroystercompany.com



SANDBAR

OYSTER COMPANY | Shellfishly Motivated™

Scope of Work - Invoice No. NR-OH2018-0001: Sandbar Oyster Company Inc. will manufacture the prescribed number of Oyster Catcher™ patties and deploy these to Sandbar Oyster Company's 2.7 acre intertidal shellfish lease in the New River, Onslow County located at 34° 33.635'N; 77° 21.697'W.

Timeframe: The prescribed number of Oyster Catcher™ patties for placement on Sandbar Oyster Company's New River shellfish lease for pre-seeding with juvenile oysters will be manufactured and deployed by June 30, 2018.

Contingencies: Delays and/or deviations from the timeframe provided above may be caused by adverse weather, issues acquiring key materials (e.g. jute erosion control cloth) needed to manufacture Sandbar Oyster Company's patties, and other unanticipated events that could reasonably cause a deviation from the prescribed timeline for patty manufacture and deployment.

Warranty: No warranties are made regarding the timing of oyster larval settlement and density of juvenile oysters on patties deployed to the New River and long-term survival of oysters on Oyster Catcher™ products transferred to subtidal reef development sites in the mid- and upper-portions of the New River estuary from intertidal environments in the lower portions of the New and Newport River estuaries and Bogue Sound.

Note on Patty Price: For patties covered by this invoice, the per patty price was increased from \$12.50 to \$15.00 to cover the costs of the longer distance to move patties from Morehead City to the New River, which will occur during the work covered by this invoice rather than at a later time if the patties were deployed in Carteret County.

Entity Contacts:

Sandbar Oyster Company Inc.: Niels Lindquist, CEO.

5117 Webb Street, Morehead City, NC 28557

Voice: 252.732.4516

Email: Niels@sanbdaroystercompany.com

City of Jacksonville: Pat Donovan-Brandenburg

Stormwater Manager

PO Box 128

815 New Bridge Street

Jacksonville, NC 28540

Voice: 910-938-6446

Email: pdonovan-brandenburg@jacksonvillenc.gov

Exhibit B
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Marine Fisheries
ENVIRONMENTAL QUALITY

ROY COOPER
Governor

MICHAEL S. REGAN
Secretary

BRAXTON C. DAVIS
Director

October 12, 2017

Mr. Eddie Bridges
N.C. Wildlife Habitat Foundation
P.O. Box 29187
Greensboro, N.C. 27429

Dear Mr. Bridges,

The purpose of this letter is to notify you that the Division of Marine Fisheries received a one time appropriation of \$100,000 in our annual certified budget for FY18. Session Law 2017-57, Section 13.27 reads:

Of the funds appropriated in this act for oyster sanctuaries, the sum of one hundred thousand dollars (\$100,000) shall be allocated to the North Carolina Wildlife Habitat Foundation for the Oyster Highway project on the New River in Onslow County. The Foundation shall report on its use of the funds allocated by the section no later than September 1, 2018, to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division.

This one time appropriation shall only be used for the Oyster Highway project on the New River in Onslow County. Enclosed you will find the "Request for Payment of Appropriation" form, which must be filled out completely and notarized and returned to the Division of Marine Fisheries (attachment A). Furthermore, prior to our disbursement of the funds, we will need the following information from the North Carolina Wildlife Habitat Foundation to enter into a contract.

- Articles of Incorporation and by-laws, trust indenture, partnership agreement, etc.
- List of Board of Directors/Trustees
- Letters of tax exempt status from the Internal Revenue Service
- Notarized conflict of interest policy (G.S. 143C-6-23(b)) (attachment B)
- Sworn statement of no overdue tax debts, as defined in G.S. 105-243.1 (attachment C)
- A specification of the purpose of the \$100,000 (i.e. services to be provided, objectives to be achieved, and expected results) (attachment D)

Once you have compiled the above information, you may send to my attention at P.O. Box 769, Morehead City, NC 28557. If you have any questions, please do not hesitate to contact me at (252) 808-8005 or Beth.Govoni@ncdenr.gov.

Sincerely,

Beth Govoni

Nothing Compares

State of North Carolina | Division of Marine Fisheries
3441 Arendell Street | P.O. Box 769 | Morehead City, North Carolina 28557
252-726-7021